VZCZCXRO5158
RR RUEHLMC
DE RUEHLM #0128 0230313
ZNR UUUUU ZZH
R 230313Z JAN 07
FM AMEMBASSY COLOMBO
TO RUEHC/SECSTATE WASHDC 5210
INFO RUCPDOC/USDOC WASHDC
RUEHNE/AMEMBASSY NEW DELHI 0524
RUEHKA/AMEMBASSY DHAKA 9816
RUEHIL/AMEMBASSY ISLAMABAD 6758
RUEHKT/AMEMBASSY ISLAMABAD 6758
RUEHKP/AMCONSUL KARACHI 2133
RUEHCG/AMCONSUL CHENNAI 7327
RUEHGV/USMISSION GENEVA 1729
RUEHLMC/MILLENNIUM CHALLENGE CORP

UNCLAS COLOMBO 000128

SIPDIS

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STATE PASS TO USTR

STATE FOR SCA/INS AND EB/TPP/IPE

MCC FOR D NASSIRY AND E BURKE

GENEVA PASS USTR

E.O 12958: N/A

TAGS: ECON ETRD KIPR EAID CE

SUBJECT: SRI LANKA: IPR RAID SEIZES 17,000 FAKE "POLO" BRAND SHIRTS

- 11. Summary: Sri Lankan police on January 11 raided a Sri Lankan factory manufacturing and supplying counterfeit "Polo" brand garments. The raid was the largest intellectual property rights (IPR) enforcement bust since Sri Lanka began to enforce its 2003 IPR law in 2004. End Summary.
- 12. On January 11, 2007 the Criminal Investigation Department (CID) of the Sri Lanka police raided Jinesha Garments (PVT) Ltd, located in a Colombo suburb. The raid was conducted on a search warrant obtained from the local magistrate court on an application made by the lawyers representing Polo/Lauren Co LLP. In the raid, police seized over 17,000 counterfeit Polo brand T-shirts from the premises. The managing director of Jinesha Garments told police that the company had been producing fake "Polo" products for over three years on orders placed by several local businessmen who export the fakes mainly to the United States.
- 13. According to Sudath Perera Associates, lawyers for Polo/Lauren, Jinesha Garments contacted the firm following the raid to reach a settlement. A settlement would typically involve compensation and an undertaking to refrain from engaging in counterfeit apparel trade. If a settlement cannot be reached, the next step would be to institute court action.
- 14. Sudath Perera Associates represents several international apparel brands and has an in-house investigation division, which identified Jinesha as a producer of fake "Polo" garments. According to the firm, the local magistrate and police were both cooperative in issuing a search warrant and organizing the raid.
- 15. This was the biggest seizure of a foreign apparel brand in Sri Lanka. Previously, police has raided several shops for selling or exporting counterfeit "Victoria's Secret" and "Polo" products. Counterfeit garments of international brands are widely available in Sri Lanka. Recognizing the problem and possible damage to Sri Lanka's garment export industry, legitimate apparel producers have begun to more actively safeguard their brands. For example, MAS group, Sri Lanka's largest apparel group and one of the largest suppliers for Victoria's Secret, has created a separate Brand Protection Unit.
- 16. Comment: The cooperation that Polo/Lauren Co received from the courts and police in getting its complaint acted on is a good sign

that local and national officials in Sri Lanka are taking IPR enforcement more seriously. Post will commend the relevant authorities involved in this case and continue to urge more frequent enforcement activities in Sri Lanka.

Blake